

MINUTES OF REGULAR MEETING
OF THE
BOARD OF DIRECTORS

May 18, 2016

THE STATE OF TEXAS §

COUNTY OF FORT BEND §

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 185 §

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 185 (the "District") met in regular session, open to the public, at 12:00 p.m., Wednesday, May 18, 2016, at 9 Greenway Plaza, Suite 1100, Houston, Texas 77046, a designated meeting place outside the boundaries of the District; whereupon, the roll was called of the members of the Board of Directors, to-wit:

Allen Thomas	President
Scott Donahue	Vice President
Wesley Noonan	Secretary
Al Menconi	Assistant Secretary
Terrell W. Berger	Assistant Secretary

All members of the Board of Directors were present, except Director Noonan thus constituting a quorum.

Also present at the meeting were Trevor Royal, Miguel Cruz, Kevin Tousant and Felix DeLeon, with WCA Waste Corporation, Inc. ("WCA"); Troy Goodell and Leslie Keen of Water Logic; Richard Martin with Environmental Allies ("Environmental"); Amy Symmank with Myrtle Cruz, Inc., the District's Bookkeeper; Mike Ammel with Environmental Development Partners, L.L.C., ("EDP"), Operator for the District; Kristen Scott with Bob Leared Interests ("BLI"), the District's Tax Assessor/Collector ("TAC"); Nick Bailey of Brown & Gay Engineers, Inc., the District's Engineer ("BGE"); John Cannon, Attorney, Greer Kuras, Attorney and Tiffany Marquez, Paralegal with Coats|Rose, P.C. ("Coats|Rose"), the District's legal counsel.

Whereupon, the meeting was called to order. A copy of the notice of the meeting is attached hereto as Exhibit "A".

COMMENTS FROM THE PUBLIC

The Board recognized Mr. Royal who introduced Mr. Cruz, Mr. Tousant and Mr. DeLeon. He stated that during the April 2016 flood week trash was picked up but recycling

materials were not and he was contacted by Director Noonan regarding this matter. Mr. Royal reported that the recycling materials were to be picked up that Thursday and they were not, however, he noted the following Monday recycling materials were picked up and he apologized for any inconvenience. Director Menconi inquired about whether updates could be sent out during the time of the flood related to garbage and recycling so that the public would be notified. Ms. Marquez stated that she received a notice from WCA regarding garbage pick-up delays and had it posted on the District's website, as well as the notice being sent out to the email subscribers on the District's website. Mr. Cannon requested he and Director Noonan be added to receive WCA's email notices as well.

APPROVE MINUTES OF MEETINGS OF APRIL 20, 2016

Proposed minutes of the meeting held on April 20, 2016 previously distributed to the Board, were presented for consideration and approval. Upon a motion duly made by Director Thomas and seconded by Director Berger, the Board voted unanimously to approve the minutes of the regular meeting of April 20, 2016.

CONSIDER APPROVING REIMBURSEMENT AUDIT IN CONNECTION WITH THE 2016 BOND ANTICIPATION NOTE

The Board recognized Mr. Eyring who presented and outlined the District's reimbursement audit with the developers associated with the BAN sale, a copy of which is attached hereto as Exhibit "B". Upon a motion duly made by Director Menconi, seconded by Director Thomas, the Board voted unanimously to approve the reimbursement audit.

TAX ASSESSOR/ COLLECTOR REPORT

The Board recognized Ms. Scott who delivered the tax collection report, a copy of which is attached hereto as Exhibit "C". She noted that the District is 98.907% collected on its 2015 taxes.

After review and upon a motion by Director Menconi, second by Director Donahue and the question being put to the Board, the Board voted unanimously to approve the tax collector's report.

BOOKKEEPER'S REPORT

The Board recognized Ms. Symmank who reviewed the bookkeeper's report, and payment of the bills listed therein. She noted that she had a check for CenterPoint if the Board approves the contact to be discussed later in the meeting. Ms. Symmank stated that Director Noonan had suggested investigating a potential homestead exemption. She said she would coordinate with Ms. Scott in the near future. Ms. Symmank inquired if all the exercise equipment had been installed. Director Donahue stated that he does not believe the playground shade structure had been installed.

After review, upon a motion duly made by Director Thomas, and seconded by Director Berger, the Board voted unanimously approved the bookkeeper's report. A copy of the bookkeeper's report is attached hereto as Exhibit "D".

OPERATOR'S REPORT

The Board next recognized Mr. Ammel, who reviewed the operator's report which includes the utility billing summary, accountability report, subsidence district report, North Fort Bend Water Authority ("NFBWA") report and the 30 day delinquent list for April 2016, a copy of which is attached hereto as Exhibit "E". Mr. Ammel reported that there are twenty-nine (29) delinquent accounts to consider for disconnect.

District Signage

- EDP was requested at the February meeting to have Constable Precinct 3 signage made and installed. This has been completed. Director Donahue stated that he has not seen the signs up and requested the locations of where signs are to be posted. Mr. Ammel showed pictures of the posted signs to the Directors.

Cinco MUD- interconnect pay back:

- EDP has coordinated with the Cinco MUD 1 operator to start paying back the water from the period of usage from July 13th to August 20th in the amount of 9,782,000 gallons. The interconnect was opened March 14, 2016 and closed on April 24, 2016. The District has paid back all water owed to Cinco MUD 1.

Critical Load spreadsheet

- Mr. Ammel noted that a copy of the Critical Facility List was included with his report and would be provided to the District's retail electric provider, the State of Texas ("TCEM") and Fort Bend County.

2015 Consumer Confidence Report ("CCR")

- Mr. Ammel stated that a copy of the 2015 CCR for the Board's review and approval was included in his report. He noted that the CCR would be delivered to all bill paying customers prior to July 1st of each year.

Mr. Ammel reported that lift station 3 phone line discussed at last month's meeting has not yet been updated due to the excessive rain the area has experienced recently.

Consider approving Consumer Confidence Report ("CCR")

Mr. Ammel outlined the CCR included in his report and requested the Board's approval.

After discussion, upon a motion, brought by Director Donahue, and seconded by Director Menconi, the Board approved (i) the operator's report, (ii) termination of delinquent accounts; and (ii) approved the CCR.

HEAR ENVIRONMENTAL ALLIES REPORT AND CONSIDER ACTING THEREON

The Board recognized Mr. Martin who presented and reported on maintenance of the detention pond in the District, a copy of his report is attached hereto as Exhibit "F". Mr. Martin reported that rehabilitation is needed on sinkholes located on the side of the slope. He also directed the Board to the picture of the outfall pipe in his report noting that the outfall did not need repair before the flood, however after the flood occurred a hole emerged.

The Board discussed their maintenance budget with Environmental Allies and noted that it is under budget. Mr. Martin recommended the District repair the outfall pipe as soon as possible. After consideration upon a motion brought by Director Donahue, seconded by Director Menconi, the Board unanimously authorized Mr. Martin to repair the outfall pipe, including stabilizers, not to exceed \$37,436.

Next, Ms. Orsak requested the District maintaining the slopes at the detention pond at Pin Oak. She noted that Pulte has recently deeded the detention pond to the District. Ms. Orsak will check her current maintenance contract, however, if said maintenance contract has expired she requested Environmental Allies to maintain the slopes at the detention pond in Pin Oak. Mr. Cannon stated that Environmental Allies could maintain if needed.

ENGINEER'S REPORT

The Board then recognized Mr. Bailey who reviewed the monthly Engineer's Report, a copy of which is attached hereto as Exhibit "G".

Review MS4 permit proposal from Storm Water Solutions ("SWS") and consider acting thereon

- No action.

Authorize engineer to proceed with the design of District facilities

- Wastewater Treatment Plant TPDES Permit Renewal. Mr. Bailey outlined the Scope of Services for said permit, which is attached hereto as Exhibit "H". He requested authorization to proceed with the preparation of the wastewater treatment plant TPDES permit renewal.

Approve plans and specifications of District facilities

- No action.

Authorize engineer to advertise for bids for District projects

- No action.

Approval of report, pay estimates, and change orders for construction projects in progress in the District

- **Lift Station to Serve 21 acre Tract (Lift Station No. 3)**
Contractor: B-5 Construction Company, Inc.
Contract Amount: \$339,103.00
Action Item: Pay Estimate No. 8 in the amount of \$19,328.40.
- **Gaston/Falcon Landing Retail – Water, Sanitary and Storm Sewer**
Contractor: Principal Services, Ltd.
Contract Amount: \$783,996.60
- **Gaston/Falcon Landing Retail – Detention**
Contractor: 5758 Construction, LP
Contract Amount \$1,636,999.00
Action Item: Pay Estimate No. 6 in the amount of \$286,565.00.

Authorize construction contracts and related items

- No action.

Review and consider approving Flacon Landing/CenterPoint lighting contract

- Attached to the engineer's report was a street light design and installation agreement the Engineer received from CenterPoint Energy following the request for streetlights along Falcon Landing Boulevard and Gaston Road. The total cost of the project, including design and installation, is \$68,376.00. A copy of the CenterPoint contract is attached hereto as Exhibit "I".

Mr. Bailey reviewed the map exhibit included in his report related to the different design options for the positioning of the light poles. Director Donahue requested an exhibit that would reflect the interior area and positioning of the light poles. Mr. Bailey stated that he will prepare the requested exhibit. He noted that the CenterPoint can mark the positioning of the poles for feedback before moving forward with any permanent plans. After consideration, upon a motion brought by Director Donahue, seconded by Director Menconi, the Board unanimously approved the CenterPoint contract, subject to the additional exhibit for the interior area to be included.

After review, upon a motion brought by Director Donahue, seconded by Director Menconi, the Board (i) authorized the Engineer to move forward with preparing the wastewater treatment plant TD PES permit; and (ii) approved the Engineer's report and all action items included therein.

DEVELOPER'S REPORT

The Board recognized Ms. Orsak who updated the Board on Pulte's development.

ATTORNEY'S REPORT

Consider approving Larry's Toolbox Agreement

The Board recognized Troy Goodell and Leslie Keen of WaterLogic, who reported to the Board that the North Fort Bend Water Authority (the "Authority") had approved the King Lakes HOA Smart Meter proposal for "Larry's Toolbox" credit and partial funding. Mr. Cannon and Ms. Kuras discussed the details of the proposal with Mr. Goodell and Ms. Keen, clarifying that credit and funding for the HOA Irrigation Evaluation and HOA Water Budget would be achieved by completion of the original Smart Meter Program proposal, which the Board approved subject to the Authority's approval on May 28th. Ms. Kuras informed the Board that she and Mr. Cannon had reviewed the Authority's Consulting Service Agreement and requested certain revisions thereto. At next month's meeting, provided that the Authority approves the requested revisions, the Board will consider approving the Consulting Services Agreement and proceeding with the installation of Smart Meters inside King Lakes HOA. No action was taken.

The Board discussed the dead trees along Falcon Landing Boulevard and it was noted that a meeting with the contractor for the waterline near the trees, the homeowner's association management company and maintenance company will be held to discuss this matter. No action was taken.

Mr. Cannon drew the Board's attention to the District's constable report attached hereto as Exhibit "J" and the WCA call log attached as Exhibit "K".

There being no other business to come before the Board, the meeting was adjourned.

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PASSED, APPROVED AND ADOPTED this 15th day of June, 2016.

(DISTRICT SEAL)



Turrell W. Bryan
Assist. Secretary, Board of Directors